

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2004

	May-04				April-04				March-04				December-03				September-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Net	Net	6/30/2003	6/30/2003
LARGE CAP DOMESTIC EQUITY																								
<i>Structured Growth</i>																								
Los Angeles Capital	446,364	2.3%	2.3%	1.48%	440,070	2.2%	2.3%	-0.54%	461,868	2.3%	2.3%	-0.34%	465,913	2.4%	2.3%	9.12%	436,535	2.3%	2.3%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
Total Structured Growth	446,364	2.3%	2.3%	1.48%	440,070	2.2%	2.3%	-0.54%	461,868	2.3%	2.3%	-0.34%	465,913	2.4%	2.3%	9.12%	436,535	2.3%	2.3%	4.99%	15.23%	-1.88%	-21.24%	-6.07%
Russell 1000 Growth				1.86%				-1.16%				0.79%				10.41%				3.92%	16.43%	-2.94%	-21.54%	-5.03%
<i>Structured Value</i>																								
LSV	442,621	2.3%	2.3%	0.55%	440,017	2.2%	2.3%	-2.38%	456,947	2.3%	2.3%	6.22%	470,608	2.4%	2.3%	15.66%	416,677	2.2%	2.3%	3.75%	25.12%	-2.25%	8.84%	3.73%
Russell 1000 Value				1.02%				-2.44%				3.03%				14.19%				2.06%	18.34%	-1.02%	-0.19%	1.05%
<i>Russell 1000 Enhanced Index</i>																								
LA Capital	923,933	4.7%	4.5%	1.49%	910,056	4.6%	4.5%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 1000				1.44%				-1.81%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>																								
Westridge	900,785	4.6%	4.5%	1.38%	887,404	4.5%	4.5%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.37%				-1.57%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
<i>Index</i>																								
State Street	207,158			1.37%	204,362			-1.57%	183,932			1.68%	2,108,750			12.16%	1,922,673			2.64%	16.78%	0.23%	-11.28%	-1.69%
Transition Account	0			N/A	922			N/A	1,858,688			N/A	N/A			N/A	N/A			N/A	16.78%	0.23%	N/A	N/A
Total Index	207,159	1.1%	1.5%	1.37%	205,284	1.0%	1.5%	-1.57%	2,042,620	10.1%	10.5%	1.68%	2,108,750	10.7%	10.5%	12.16%	1,922,673	10.2%	10.5%	2.64%	16.78%	0.23%	-11.28%	-1.69%
S&P 500				1.37%				-1.57%				1.69%				12.18%				2.64%	16.84%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	2,920,862	15.0%	15.0%	1.30%	2,882,831	14.6%	15.0%	-2.22%	2,961,435	14.7%	15.0%	2.91%	3,045,271	15.4%	15.0%	12.20%	2,775,884	14.7%	15.0%	3.15%	17.97%	-0.48%	-9.33%	-1.90%
S&P 500				1.37%				-1.57%				1.69%				12.18%				2.64%	16.84%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY																								
<i>Manager-of-Managers</i>																								
SEI	978,636	5.0%	5.0%	1.07%	968,816	4.9%	5.0%	-5.02%	972,537	4.8%	5.0%	6.61%	1,012,326	5.1%	5.0%	14.82%	945,617	5.0%	5.0%	9.48%	28.66%	0.09%	N/A	N/A
Russell 2000 + 200bp				1.76%				-4.93%				6.78%				15.07%				9.60%	30.28%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	978,636	5.0%	5.0%	1.07%	968,816	4.9%	5.0%	-5.02%	972,537	4.8%	5.0%	6.61%	1,012,326	5.1%	5.0%	14.82%	945,617	5.0%	5.0%	9.48%	28.66%	0.09%	-3.49%	1.64%
Russell 2000				1.59%				-5.10%				6.26%				14.52%				9.07%	27.97%	-1.63%	-3.30%	0.97%
CONVERTIBLES																								
TCW	1,989,540	10.2%	10.0%	1.51%	1,965,070	10.0%	10.0%	-2.90%	2,076,140	10.3%	10.0%	2.50%	2,025,651	10.3%	10.0%	9.98%	1,851,333	9.8%	10.0%	1.85%	13.17%	10.23%	-9.51%	3.90%
First Boston Convertible Index				0.64%				-1.93%				2.57%				8.54%				2.67%	12.81%	15.46%	-3.77%	5.29%
INTERNATIONAL EQUITY																								
<i>Large Cap - Active</i>																								
Capital Guardian	1,586,950	8.1%	8.0%	-1.07%	1,699,402	8.6%	8.0%	-0.62%	1,653,324	8.2%	8.0%	3.50%	1,586,707	8.0%	8.0%	13.03%	1,508,615	8.0%	8.0%	8.14%	24.39%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	-5.33%
<i>Small Cap - Value</i>																								
Lazard	174,756	0.9%	1.0%	0.54%	155,493	0.8%	1.0%	-0.10%	222,081	1.1%	1.0%	8.63%	203,212	1.0%	1.0%	14.50%	204,763	1.1%	1.0%	9.92%	37.32%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
<i>Small Cap - Growth</i>																								
Vanguard	167,402	0.9%	1.0%	-1.15%	151,496	0.8%	1.0%	-1.98%	208,508	1.0%	1.0%	10.37%	218,051	1.1%	1.0%	14.06%	198,660	1.1%	1.0%	14.95%	40.22%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,929,108	9.9%	10.0%	-0.95%	2,006,391	10.2%	10.0%	-0.70%	2,083,913	10.4%	10.0%	4.76%	2,007,970	10.2%	10.0%	13.28%	1,912,038	10.1%	10.0%	8.97%	27.19%	-9.20%	-15.51%	0.27%
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	-5.33%
DOMESTIC FIXED INCOME																								
<i>Core Bond</i>																								
Western Asset	3,408,301	17.4%	16.7%	-0.41%	4,651,690	23.6%	16.7%	-2.41%	5,137,613	25.5%	25.0%	2.96%	5,000,902	25.3%	25.0%	1.62%	4,862,313	25.8%	25.0%	-0.16%	1.53%	12.77%	11.23%	8.12%
Lehman Aggregate				-0.40%				-2.60%				2.66%				0.32%				-0.14%	-0.24%	10.39%	10.07%	7.54%
<i>Index</i>																								
Bank of ND	4,448,260	22.8%	25.0%	-0.45%	3,348,534	17.0%	25.0%	-2.36%	2,826,996	14.0%	15.0%	3.01%	2,679,829	13.6%	15.0%	0.07%	2,659,877	14.1%	15.0%	-0.46%	-0.28%	13.26%	10.87%	7.78%
Lehman Intermediate Gov/Credit (1)				-0.45%				-2.37%				3.08%				-0.03%				-0.50%	-0.35%	13.14%	10.82%	7.83%
<i>BBB Average Quality</i>																								
Strong	1,901,408	9.7%	8.3%	-0.88%	1,871,920	9.5%	8.3%	-3.16%	2,083,302	10.4%	10.0%	3.30%	2,070,045	10.5%	10.0%	1.46%	2,038,313	10.8%	10.0%	0.02%	0.62%	17.91%	N/A	N/A
Lehman US Credit BAA				-0.81%				-3.22%				3.41%				1.22%				0.27%	0.76%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	9,757,969	50.0%	50.0%	-0.51%	9,872,143	50.0%	50.0%	-2.55%	10,047,910	49.9%	50.0%	3.05%	9,750,775	49.4%	50.0%	1.15%	9,560,503	50.6%	50.0%	-0.21%	0.85%	13.18%	10.80%	7.81%
Lehman Gov/Credit				-0.51%				-3.07%				3.08%				-0.03%				-0.50%	-1.12%	13.14%	10.82%	7.83%
CASH EQUIVALENTS																								
Bank of ND	1,957,121	10.0%	10.0%	0.11%	2,044,234	10.4%	10.0%	0.09%	1,983,569	9.9%	10.0%	0.29%	1,909,866	9.7%	10.0%	0.29%	1,834,125	9.7%	10.0%	0.30%	1.09%	1.57%	3.26%	4.15%
90 Day T-Bill				0.09%				0.08%				0.24%				0.25%				0.25%	0.92%	1.52%	3.33%	4.08%
TOTAL FIRE & TORNADO FUND	19,533,236	100.0%	100.0%	0.05%	19,739,486	100.0%	100.0%	-2.21%	20,125,505	100.0%	100.0%	2.95%	19,751,860	100.0%	100.0%	5.40%	18,879,500	100.0%	100.0%	2.04%	8.33%	7.25%	1.67%	4.94%
POLICY TARGET BENCHMARK				0.04%				-2.26%				2.80%				4.65%				1.59%	6.86%	7.25%	2.12%	4.52%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.